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NEWS RELEASE

FORMER FUNERAL OPERATOR FACES MORE FRAUD CHARGES

Pikeville man now faces 22 felony counts in prepaid funeral scams

FRANKFORT, Ky. (Feb. 6, 2008) – A former Pikeville funeral home operator faces additional felony fraud charges as part of an ongoing investigation by the Insurance Fraud Investigation division of the Kentucky Office of Insurance (KOI).

Richard D. Justice was arrested in February 2007 and charged with 19 felonies and one misdemeanor, including insurance fraud, theft, violations of the Kentucky Funeral Trust Act, and acting as a funeral director without a license.

The continuing investigation by KOI has uncovered another victim and Justice was indicted on three additional felony counts on Jan. 30. Under the new charges, Justice allegedly collected funds for a prepaid funeral agreement and failed to create and place the funds in a trust, as is required by law. He also is charged with collecting money for a headstone and failing to make the purchase or crediting the appropriate trust.

KOI estimates that Justice now has pocketed at least \$84,000 from senior citizens.

A jury trial is set for March 10 in Pike District Court on 22 felony counts and one misdemeanor. If found guilty, Justice faces up to 20 years in prison and/or a \$10,000 fine on each count or twice the amount of gain.

KOI began investigating Justice in October 2006 following a consumer complaint. Justice Funeral Home closed in late 2006.